



For Release: Tuesday, January 14, 2020

20-24-CHI

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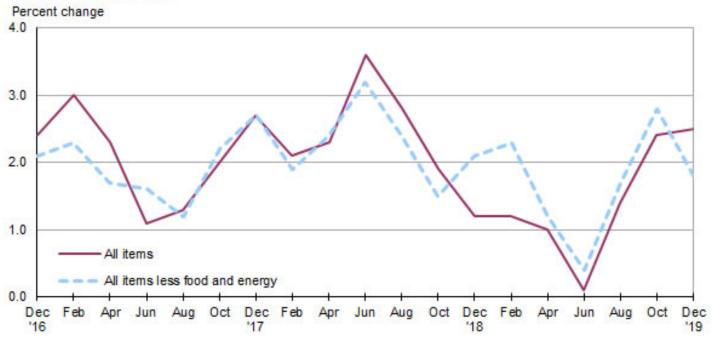
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# Consumer Price Index, Detroit-Warren-Dearborn — December 2019 Local prices up 2.5 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Warren-Dearborn area decreased 0.6 percent from October to December, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the index for all items less food and energy fell 0.6 percent while the food index rose 0.8 percent. The energy index declined 2.6 percent over the bimonthly period. Among the indexes within the all items less food and energy category, prices were lower for apparel and new and used motor vehicles. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months, the Detroit all items CPI-U increased 2.5 percent. (See chart 1 and table A.) The index for all items less food and energy increased 1.8 percent and the food index was up 3.3 percent from December 2018 to December 2019. The energy index rose 9.0 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Detroit-Warren-Dearborn, MI, December 2016-December 2019



Source: U.S. Bureau of Labor Statistics.

### **Food**

Food prices were up 0.8 percent from October to December. Of the two components within the food index, prices for food at home (groceries) increased 0.4 percent and prices for food away from home (restaurant, cafeteria, and vending purchases) rose 1.3 percent over the bi-monthly period.

Over the year, food prices in the Detroit area were up 3.3 percent. Prices for groceries increased 2.3 percent and prices for food away from home increased 4.5 percent.

# **Energy**

The energy index for Detroit was down 2.6 percent from October to December. Among the index's components, prices were lower for gasoline (-2.4 percent), electricity (-3.8 percent), and utility (piped) gas service (-2.0 percent).

From December 2018 to December 2019, overall energy prices increased 9.0 percent. Gasoline prices rose 12.4 percent, while the indexes for electricity and for utility (piped) gas service increased 8.2 percent and 3.2 percent, respectively.

## All items less food and energy

The index for all items less food and energy decreased 0.6 percent from October to December. Among the index's components, prices were lower for apparel (-9.7 percent) and new and used motor vehicles (-1.3 percent).

Over the year, the index for all items less food and energy rose 1.8 percent. Prices were higher for shelter (3.3 percent) and medical care (5.3 percent).

Table A. Detroit-Warren-Dearborn, MI, CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2015		2016		2017		2018		2019	
	2-month	12- month								
February	-0.7	-1.8	0.3	0.9	0.9	3.0	0.3	2.1	0.4	1.2
April	1.2	-1.9	1.4	1.1	0.7	2.3	0.9	2.3	0.6	1.0
June	0.0	-2.4	1.2	2.3	0.0	1.1	1.3	3.6	0.4	0.1
August	0.6	-0.9	-0.1	1.7	0.1	1.3	-0.6	2.8	0.6	1.4
October	0.1	-0.7	0.2	1.7	0.9	2.0	0.0	1.9	1.0	2.4
December	-1.2	-0.1	-0.6	2.4	0.1	2.7	-0.6	1.2	-0.6	2.5

The February 2020 Consumer Price Index for Detroit is scheduled to be released on Wednesday, March 11, 2020.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 93 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 29 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 5,000 housing units and approximately 22,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The **Detroit-Warren-Dearborn, MI, Core Based Statistical Area** covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Warren-Dearborn, MI (1982-84=100 unless otherwise noted)

Item and Group		Indexes		Percent change from-			
item and Group	Oct. 2019	Nov. 2019	Dec. 2019	Dec. 2018	Oct. 2019	Nov. 2019	
Expenditure category							
All items	238.838	_	237.514	2.5	-0.6		
All items (1967=100)	709.927	_	705.990	-	-		
Food and beverages	227.935	_	229.883	3.3	0.9		
Food	227.518	-	229.279	3.3	0.8		
Food at home	211.771	210.347	212.517	2.3	0.4	1.0	
Cereals and bakery products	268.998	-	265.105	0.4	-1.4		
Meats, poultry, fish and eggs	223.789	-	229.050	4.8	2.4		
Dairy and related products	163.370	-	159.327	4.7	-2.5		
Fruits and vegetables	223.657	-	229.403	0.1	2.6		
Nonalcoholic beverages and beverage materials(1)	204.726	-	204.199	3.7	-0.3		
Other food at home	191.189	-	189.755	0.9	-0.8		
Food away from home	252.514	-	255.727	4.5	1.3		
Alcoholic beverages	227.347	-	231.776	2.8	1.9		
Housing	228.293	-	227.581	3.5	-0.3		
Shelter	263.209	260.405	263.196	3.3	0.0	1.1	
Rent of primary residence(2)	268.882	269.146	271.908	3.6	1.1	1.0	
Owners' equiv. rent of residences(2)(3)	260.764	260.898	261.881	3.7	0.4	0.4	
Owners' equiv. rent of primary residence(2)(3)	260.764	260.898	261.881	3.7	0.4	0.4	
Fuels and utilities	261.295	-	255.982	4.9	-2.0		
Household energy	203.119	201.647	197.171	6.1	-2.9	-2.2	
Energy services(2)	205.190	203.486	198.826	6.2	-3.1	-2.3	
Electricity(2)	248.008	248.364	238.532	8.2	-3.8	-4.0	
Utility (piped) gas service(2)	148.331	144.849	145.394	3.2	-2.0	0.4	
Household furnishings and operations	119.194	-	118.502	2.9	-0.6		
Apparel	119.568	-	108.008	-8.6	-9.7		
Transportation	247.876	-	243.488	2.9	-1.8		
Private transportation	249.380	-	246.449	3.3	-1.2		
New and used motor vehicles(4)	112.594	-	111.177	-1.3	-1.3		
New vehicles(1)	214.232	-	216.556	6.8	1.1		
Used cars and trucks(1)	287.067	-	283.408	-0.3	-1.3		
Motor fuel	237.457	228.877	231.985	11.9	-2.3	1.4	
Gasoline (all types)	236.114	227.414	230.513	12.4	-2.4	1.4	
Gasoline, unleaded regular(5)	237.008	228.031	231.402	12.8	-2.4	1.5	
Gasoline, unleaded midgrade(5)(6)	282.199	273.070	274.919	10.2	-2.6	0.7	
Gasoline, unleaded premium(5)	250.201	243.513	244.377	9.0	-2.3	0.4	
Motor vehicle insurance(1)	1,875.582	-	1,846.080	3.7 5.3	-1.6		
Medical care	458.758 113.768	-	463.222		1.0		
Recreation(4)		-	113.728	1.1	0.0		
Education and communication(4)  Tuition, other school fees, and childcare(1)	144.550 1,322.723	-	144.829 1,322.723	-0.9 2.0	0.2		
Other goods and services	442.864	-	440.286	-0.5	-0.6		
Commodity and service group							
All items	238.838	-	237.514	2.5	-0.6		
Commodities	178.928	-	177.081	2.0	-1.0		
Commodities less food and beverages	153.424	-	149.931	1.1	-2.3		
Nondurables less food and beverages	189.625	-	182.244	0.4	-3.9		
Durables	112.719	-	113.245	2.3	0.5		
Services	299.744	-	298.873	2.8	-0.3		

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Warren-Dearborn, MI (1982-84=100 unless otherwise noted) - Continued

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Item and Group	Oct. 2019	Nov. 2019	Dec. 2019	Dec. 2018	Oct. 2019	Nov. 2019	
Special aggregate indexes							
All items less medical care	229.908	-	228.284	2.2	-0.7	-	
All items less shelter	232.449	-	230.576	2.1	-0.8	-	
Commodities less food	156.169	-	152.899	1.2	-2.1	-	
Nondurables	208.862	-	205.806	1.9	-1.5	-	
Nondurables less food	192.186	-	185.458	0.6	-3.5	-	
Services less rent of shelter(3)	353.445	-	351.492	2.4	-0.6	-	
Services less medical care services	289.329	-	288.019	2.2	-0.5	-	
Energy	222.397	217.536	216.586	9.0	-2.6	-0.4	
All items less energy	243.428	-	242.512	2.0	-0.4	-	
All items less food and energy	246.932	-	245.528	1.8	-0.6	-	

#### Footnotes

- (1) Index on a December 1977=100 base.
- (2) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (3) Index on a December 1982=100 base.
- (4) Indexes on a December 1997=100 base.
- (5) Special index based on a substantially smaller sample.
- (6) Index on a December 1993=100 base.
- Data not available.

Note: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.